City of Management of Manageme

Presentation on Victorian Square Redevelopment and Special Events Production

To

Stateline, NV/South Lake Tahoe, CA Main Street Stakeholder Working Group July 23, 2019





Sparks Roundhouse



B Street, now Victorian Avenue

1978: (Town Center) Redevelopment district created

1984: Nugget opens East Tower

1993: Redevelopment plan amended to emphasize adding non-gaming entertainment and special events

1993-95: Agency spends \$7 million on land acquisition in Victorian Square

1996: Nugget completes West Tower (2 towers = 1,400 rooms)



1998: Agency completes \$17 million of improvements to Square, interchanges, streets and 700 space parking structure

1998: Century Theaters (14 screens) opens

2000: Redevelopment plan amended to add retail as a significant component, including a "major retail project"

2005 Redevelopment plan amended again to shift focus from emphasizing large scale retail development to producing a mixed-use project with housing





Conceptual Rendering - 2005 Victorian Square Development Plan

Agency enters into development agreement with Trammell Crow Company for 167 unit housing project (envisioned as Phase 1)

2006-07 City & Agency undertake another round of site assembly activities and plaza/streetscape enhancements

Great Recession takes hold – Sparks and Trammell
 Crow rescind partnership





NOVEMBER 21 2005 Overall Site Plan





Trammell Crow – District Project Rendering

- 2008-10 City & Agency continue site consolidation (started for Trammell Crow Phase 2)
- 2011-14 Victorian Square redevelopment effort is dormant
- 2013 Ascuaga family sells Nugget Casino Resort to Global Gaming & Hospitality; upgrades initiated
- City & Agency approve development agreement with Silverwing Development for Fountainhouse project (236 units, 8K+/- SF food & beverage); Agency completes site assembly for project and remediates contaminated soils



Development agreement with Silverwing for The Bridges project (198 units, 8-10K+/- SF commercial)

Movie theater, operated by Cinemark, closes

Square 1 Apartments (98 units) adaptive reuse project opens

GHH sells Nugget to Marnell Gaming which accelerates property upgrades

Development agreement with Silverwing for The Deco apartment project (209 units, 90+/- public parking spaces)

City approves incentive agreement for renovation and reopening of cinema by Galaxy Theatres (\$8M project; \$1.5M incentive from Lodging Tax)

2019 Silverwing Development starts construction on Atrium project (140 apartments)

The Bridges project opens

City approves incentive agreement for construction of Nugget Events Center (>\$6.4M project; \$1.28M incentive from Lodging Tax)



Victorian Square – Key Elements

Housing

- 532 apartments constructed to date in 3 projects
- 348 apartments under construction in 2 projects
- 200+/- apartments in planning stage
- Target: >1,500 new housing units

Retails uses expected to primarily be food and beverage establishments; small(er) grocer desired

Total square footage will be modest (about 15K SF to date); 50K SF would be big success

Entertainment and lodging: continued investment in and vitality of Nugget and Galaxy Theatres is critical



Why Housing?

Mixed-use urban environments with a resident population are typically attractive to visitors and locals alike

Multi-family housing has been a top commercial real estate (CRE) sector nationally since end of recession

Other CRE sectors such as office have struggled outside firsttier markets; demand for new retail space impacted by on-line shopping, particularly Amazon

Regional need for housing

Demand for Sparks locations with good I-80 access bolstered by Tahoe-Regional Industrial Center employment



Victorian Square Redevelopment Plan Update

Silverwing owns 4 vacant parcels flanking the plaza

Has initiated conceptual design for their proposed mixeduse project (200-300 MF units, up to 40K SF commercial)

City has retained Gensler firm to assist with plaza re-design concepts

City and Silverwing need to coordinate preparation of their respective conceptual plans



Victorian Square Redevelopment Plan Update

Agency and City will have to formally amend redevelopment plan to reflect key changes (e.g., height of buildings adjacent to plaza). Target date – end of 2019

Development agreement anticipated. Target date – early 2020

Roles and responsibilities of City, Agency and Silverwing

Allocation of costs

Property and right-of-way issues, including possible abandonments



Key Factors, Elements & Lessons Learned

2007 addition of RTC transit facility improved physical environment but functional benefits limited by transit service levels

Victorian Square redevelopment has benefitted from involvement of private partners that:

Understand urbanism and that the "whole needs to be greater than the sum of the parts"

Are nimble and have authority to commit and deploy capital quickly



Key Factors, Elements & Lessons Learned

Multiple public sources needed

Recommend public agency(ies) focus on:

Master planning

Site assembly/consolidation

Infrastructure investments are key but should be tied to private investment; strive for "maintainability" and long-term functionality

Targeted direct incentives to leverage private investment



Special Events

Downtown events were initiated in 1980's by Agency with goal of seeding the revitalization of the downtown core

Public/private partnerships were employed

Agency's goal was to have downtown merchants assume responsibility for events once redevelopment build-out was complete



Events Initiated 1986 - 1991

Sparks Hometowne Christmas – 1987 to present

Hot August Nights – 1986 to present

Festival of the Arts – 1989; produced by Agency

Best in the West Nugget Rib Cook Off – 1989 to present

Cinco de Mayo – 1991 – 1997; produced by City. Nevada Bell was lead sponsor





The Best in the West Nugget Rib Cook Off



The Best in the West Nugget Rib Cook Off



Hot August Nights



Hot August Nights



Hot August Nights

Farmer's Market

Open Air Marketplace – initiated 1993 and privately produced

Renamed Hometowne Farmer's Market in 1996; billed as Nevada's oldest and largest certified farmer's market

Produced by City for several years; grew to 15,000 attendees each week

Victim of its own success

Transferred to a private promoter who moved the event to Reno in 2015



Farmer's Market's Next Iteration

2015 – 2018: 39 North produces 39 North Marketplace, a weekly event during summer months

2019: 39 North initiates 3rd Thursdays



Events Focus Shifts

Due to recession and diminished resources, the City:

Eliminated 25% cost subsidy to event producers and adopted full cost-recovery model

Reduced direct role in the production of events

Increased effort to manage and coordinate City property and services for event producers

Implemented on-line application process

Continues to sponsor events by distributing approximately \$200K annually (from lodging taxes) to event producers



Special Events 2019

16 Victorian Square events, including Nugget Events Center concerts

5 are multi-day (3rd Thursdays, Hot August Nights, Rib Cook Off, Southern Fare on the Square)

10 events at other locations, primarily Spark Marina

PumpkinPalooza is fastest-growing event

First year (2012) attendance was 1,500

Expecting 20,000 attendees in 2019





PumpkinPalooza



PumpkinPalooza



Special Events Challenges & Lessons

Redevelopment has absorbed space formally used for events production

Construction disruptions and new resident presence both present challenges

Event production/support costs continue to rise; City sponsorship funding not able to keep pace

Events develop constituencies



Special Events Challenges & Lessons

City's capacity to plan, set up, clean up, and provide public safety personnel limits ability to add event days

Mass casualty event concerns require both physical barriers and specialized law enforcement personnel

City developing physical security plan (i.e., barriers) to reduce staffing costs and improve effectiveness and aesthetics of physical security

Law enforcement is highly visible



3rd Annual Municipal Special Events Summit

Peppermill Casino | Reno, Nevada

January 21-24, 2020

Cost to register is \$175 before 12/16, \$225 after 12/16

Opportunity to talk to other municipalities about events

Attended by Special Events, Public Works, Fire, Police staff from all over the country

Topics include finance, safety, programming, 1st Amendment and more

SpecialEventsHQ.com



Questions?

